

**Subject:** Tesla DD process / workstreams  
**From:** "Sarin, Manish" <manish.sarin@hp.com>  
**Received(Date):** Fri, 29 Jul 2011 14:55:31 -0400  
**To:** "Hsiao, Emily (SCD)" <emily.hsiao@hp.com>, "Bhagat, Varoon" <varoon.bhagat@hp.com>, "Johnson, Andy (Corp Dev)" <andyjohnson@hp.com>

We can discuss this in person in more detail but wanted to get something out to you all.

#### Overview

The process was agreed a-priori with Mike with a focus on the important / must-know items during the next two weeks. Shane had asked me to think about what we really needed to know from our diligence list and discuss with Mike accordingly during our meeting this morning. While Mike / Tesla team is going to be open with information, their view is that much of the general / industry information on the company is available in public filings / analyst reports. We walked through our master diligence list today line by line and discussed items that they would –

- 1) Cover verbally / conference call if there is no existing documentation
- 2) Provide documentation via data room
- 3) Provide closer to the 18<sup>th</sup> – this is information they consider critical and will only provide late in the process

As was to be expected, much of the information would be provided verbally. Mike is looking to get the bulk of diligence done next week.

#### Co-ordination

In the spirit of maintaining a single point of contact, Andrew Kantor (their COO) is the point of contact for us. On our side, it's going to be me primarily although there may be some work streams that will get coordinated through Marge (see below). I have sent to Andrew our WGL so he has our contact details.

#### Preliminary schedule of calls / work streams

#### Products

Marge has calls scheduled from 9:00am PST – 1:00pm PST for every day of next week (Mon – Fri). These are primarily with Peter, their head of R&D / products to go over the portfolio and also do demos. She is also scheduling a call with Mike to go over positioning etc. I have asked that we (Corp dev) be invited to all calls and we'll try to participate as much as possible.



#### Finance

- We need to get a call scheduled for KPMG with their CFO (Andy, do we know if it's KPMG and who we need to contact?)

- They do not have a 3 year financial plan (I can provide more color in person) but will provide us pipeline information etc in a data room. As such, I have offered to Sushovan (CFO) that we can walk him through our stand-alone model (just the income statement and associated assumptions) to get his perspective. This call is scheduled for 8:00 am PST on Monday. I will circulate a dial-in.

- We need to agree on how much and in what fashion we involve Ricci / Binns (Andy, I can discuss with you)

#### Retention

Shane is going to schedule a call with Mike and Tracy to discuss their Top 20 employees and the appropriate retention mechanism

#### Anti-trust

We need their revenue by geo to help us assess what countries we need to file anti-trust in. Sergio is going to get our anti-trust lawyers (Drinker) connect with their anti-trust counsel (Morgan Lewis) to get this going

#### IP / Open-source

- Tesla will upload patent information in the data room and get IP diligence going.

- Open source – they have minimal open-source (no GPL and no LGPL licenses). They have historically had Black Duck do an open-source audit as some of their OEM customers require it (said IBM requires it). They mentioned the last Black Duck audit was done ~ 6 months ago. They will share the report with us and if we require a further open-source audit, they are open to the idea

#### GTM / Sales

- They haven't disclosed their sales lead on this as yet – I suspect they will in due course

- Much of what we asked (headcount by role / region, quota per rep, sales strategy, sales comp etc etc) they have in documentation and will upload to the data room

- After review of this data, we can schedule a call for HPK / Binns with them (aim for mid-week)

#### Legal / contracts

- They will upload ~ 80 of their largest customer contracts in the data room (the figure was suggested by Mike assuming a revenue cutoff of \$5M / customer; they are open to providing more although Shane suggested this should suffice)
- Will also provide a standard / sample OEM contract (so we can review assignability etc) but will not provide actual OEM agreements until later in the process
- Much of the other legal / HR documents will also be provided in the data room

#### Logistics

- There is a daily 8:00 pm London / noon PST call scheduled for core Tesla and Hercules team to stay coordinated. Suggested attendees are Shane, Andy, Paul Porrini and I and their core team (Mike, Andrew, Sushovan and Peter). I will send out a dial-in
- We also need to send to Andrew a list of people needing access to the data room which is expected to be up by Monday (Emily can you please send to me – include legal and select members from the banking team who require access)

**Manish Sarin**

Strategy & Corporate Development

Hewlett Packard Company

3000 Hanover Street, Palo Alto, CA 94304

Ph: (650) 857-4227

Email: manish.sarin@hp.com

United States District Court  
Northern District of California

### **Trial Exhibit 13575**

Case No: CR 18-0577 CRB

Date Entered: \_\_\_\_\_

By: \_\_\_\_\_

Deputy Clerk